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THE WHITE HOUSE
WASHINGTON

July 20, 1978

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Executive Sec
78-213

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MEMORANDUM FOR CERTAIN HEADS OF DEPARTMENTS AND AGENCIES

FROM: RICHARD A. PETTIGREW *RAP*
ASSISTANT TO THE PRESIDENT
FOR REORGANIZATION

SUBJECT: Veterans' Preference Modifications
in Civil Service Reform

Attached are materials on veterans' preference sent to you at the request of Secretary Marshall.

The House Committee on Post Office and Civil Service, by a vote of 16-9, adopted the Schroeder amendment to the Administration's veterans' preference modifications of the Civil Service Reform Act. The amendment, a compromise reached between Committee supporters of the legislation and the Administration, specifies that nondisabled veterans shall be entitled to one successful use of preference in seeking government employment, within a 15-year period of discharge from military service. Further, reduction-in-force protection would exist only for eight years after entry into federal civilian service.

The Senate Committee on Governmental Affairs voted down a similar amendment. We are attempting to negotiate a modification of preference for military retirees and for some additional disabled veteran assistance with Senator Cranston's staff and disabled veterans groups. We, therefore, hope to get to conference with some form of preference modification in the House and Senate. The major battle is to sustain the House Committee compromise on the House floor.

Floor action is expected on S. 2640 and H.R. 11280 in early to mid-August with a conference committee to follow. Congress may be able to complete work on the bill by the planned recess, August 18, if strong public pressure for this key Presidential initiative is maintained.

Your support and help with this legislation is vital at this time. The attached sheet outlines the main points of the

veterans' preference provisions. We have also included a list of national organizations which back the modification. If you need additional information, please call Tom Belford, Christopher Matthews or Fredi Wechsler in my office on 456-6730.

Attachments

The Administration has proposed the following modification in veterans' preference, to take effect two years from the date of enactment of the legislation:

5-point preference

Provision

Now assigned in perpetuity and available for multiple use, 5-point preference would be available for only one successful use for a period of fifteen years following discharge from military service.

Rationale

15 years: Preference is a measure to help veterans back into the mainstream job market and therefore should be available to those most recently discharged. Fifteen years gives adequate coverage to the approximately 8 million Vietnam-era veterans and assures that the advantage of their preference will not be diluted by the need to share it with 22 million veterans of earlier wars and retired military personnel.

One-time successful use: A Civil Service Commission survey indicates as many as one-third of those who use veterans' preference may do so more than once. This practice is detrimental both to younger veterans attempting to use their preference for the first time and to non-veterans.

Effective in two years: The two-year grace period before the bill goes into effect allows all veterans an opportunity to use their preference.

Retired Military Personnel

Provision

The amendment limits veterans' preference for non-disabled retired military personnel to a period of three years from date of separation and eliminates preference for non-disabled retired officers of field grade rank (major or equivalent).

Rationale

Regular military personnel chose the military as a career and therefore cannot be deemed to have suffered career interruption.

Not only do they receive substantial pensions on retirement, but their job skills and experience, gained in the military, equip them to compete on their own merits in the job market. In a scarce resources economy, where employment advantages should be directed toward those with the highest rate of unemployment, restriction of preference for retired military personnel seems particularly appropriate.

Reductions-in-Force (RIF)

Provision

Veterans would retain absolute preference in RIFs for a period of eight years after entering the Federal civilian work force.

Rationale

This provision focuses RIF protections on young veterans not otherwise protected by seniority. After the eight-year period has elapsed, the veteran is assumed to have accrued sufficient seniority to protect against most RIF situations. The provision is administratively simple and will not create an entrenched system where veterans and non-veterans are pitted against each other in RIF actions.

Disabled Veterans

Provision

Disabled veterans would continue to have 10 points added to their passing scores and would rise to the top of employment registers on which they qualify. Certain non-competitive appointments would be available to veterans with a minimum 30% disability (currently 50%). Preference in RIFs would be unlimited. Under the Veterans Readjustment Appointment program disabled veterans could be appointed without competitive examination to jobs through GS-7 without regard to the 14-year education limit which applies to non-disabled veterans.

Rationale

Disabled veterans have made the greatest sacrifice and have the most difficulty in securing and retaining employment in the job market. Therefore, they are deserving of the highest preference.

NATIONAL ORGANIZATIONS SUPPORTING THE VETERANS' PREFERENCE AMENDMEN

American Civil Liberties Union
American Association of University Women
American Society for Public Administration
American Veterans Committee
Black Women for Policy Action
Capitol Hill Women's Political Caucus
Coalition for Women's Appointments
Common Cause
Congress Watch
Cuban-American Women's National Association
Executive Committee, National Civil Service League
Federally Employed Women
Federation of Organizations of Professional Women
Federal Professional Association
International Personnel Management Association
League of Women Voters
Mexican-American Women's National Association
Minority Women's Task Force of the Civil Service Commission
NAACP
National Academy of Public Administration
National Association of Commissions for Women
National Association of Negro Business and Professional Women
National Civil Service League
National Conference of Puerto Rican Women
National Institute of Public Management
National Council of Negro Women
National Council of Professional Services Firms
National Federation of Business and Professional Women's Clubs
of the U. S. A., Inc.
National Federation of Democratic Women's Clubs
National Governors' Association
National League of Cities
National Municipal League
National Urban League
National Women's Political Caucus
NOW Legal Defense and Education Fund
Ripon Society
U. S. Chamber of Commerce
Women Employed
Women's Equity Action League
Women's Legal Defense Fund
Women's Lobby
Women's Action Alliance
Young Women's Christian Association

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Remarks:

DDCI has seen. Do either of you see any action here for us. If so, please undertake as appropriate.

Executive Secretary

26 July 1978

Date